IN THE HIGH COURT OF JUDICATURE, ANDHRA PRADESH
AT HYDERABAD

(Special Original Jurisdiction)

MONDAY, THE EIGHTH DAY OF NOVEMBER
TWO THOUSAND AND FOUR

PRESENT

THE HON'BLE SRI DEVINDER GUPTA,THE CHIEF JUSTICE

and
THE HON'BLE MR JUSTICE C.V.RAMULU

WRIT PETITION NO : 5852 of 1999

Between:

Citizen's Social Welfare Society (Regd. No. 5692/97), Rep. by its General Secretary M.A.Majeed, S/o. M.A.Jabbar, 2-3-792/6, Golnaka,
Amberpet, Hyderabad., R/o. Hyderabad.

..... PETITIONER

AND

1 The Government of Adhra Pradesh, Rep. by its Principal Secretary,
Secretariat, Hyderabad.
2 The A.P. State Film Development Corporation Ltd., Rep. by its

Managing Director, A.C. Guards, Shantinagar, Hyderabad.
3 The District Collector, Hyderabad District,
Opposite Annapoorna Hotel, Hyderabad.
4 The Revenue Divisional Officer,
Opp: Annapurna Hotel, Hyderabad,
Hyderabad District.
5 The Mandal Revenue Officer,
Bahadurpura Mandal, Bahadurpura,
Hyderabad.
6 Southern Movie Tone Ltd., Rep. by its Managing Partner,
H.No. 8-2-619/1/2, Road No.12,
Banjara Hills, Hyderabad.
7 Registrar of Companies, Department of Companies Office,
B-Block, Kendriya Sadan,
Sultan Bazar, Koti, Hyderabad - 500 195.

8 Sub-Registrar, Department of Companies Office,
Dudhbouli, Back Side of Prakash Talkies,
Mangalhat, Hyderabad.

.....RESPONDENTS

Petition under Article 226 of the Constitution of India praying that in the circumstances stated in the Affidavit filed herein the High Court will be pleased to issue an appropriate Writ, Order or direction, preferably one in the nature of Writ of Mandamus, declaring the action of the Respondents-1 to 5 herein in not recovering the said principal amount of Rs.12,38,000/- together with interest thereon from the properties mortgaged towards the loan by way of bringing public auction and also not initiating Criminal proceedings as illegal, arbitrary and contrary to law and further direct the Respondnets 1 to 5 herein to initiate action for recovery of the said amount of Rs. 12,38,000/- including interest thereon from the 6th Respondent forthwith.

Counsel for the Petitioner: MR.J.KANAKAIAH

Counsel for the Respondent Nos.1, 3 to 5: GP FOR REVENUE

Counsel for the Respondent No.2: Mr.A.K.Jayaprakash Rao (Not appeared)

Counsel for the Respondent No.6: Mr.J.Dasaradhi.

Counsel for the Respondent Nos.7 and 8: None appeared.

The Court made the following :

ORAL ORDER: (per the Hon'ble the Chief Justice)

Citizens' Social Welfare Society filed this writ petition to declare the inaction on the part of respondents 1 to 5 in recovering the principal amount of Rs.12,38,000/- together with interest from the sixth respondent as illegal and sought direction to recover the amount of loan advanced to the sixth respondent by taking out proceedings for attachment and sale of property.

Sri K.V.Ramana Chary, Managing Director of the second respondent Corporation, pointed out that the sixth respondent applied for sanction of loan for improvement and purchase of equipment and loan of Rs.13.20 lakhs was sanctioned against mortgage of property in favour of the 2nd respondent-Corporation. Later on it came to the notice of the Corporation that part of the property was already mortgaged with Central Bank of India. Therefore, notices were issued to the respondent No.6 which filed Writ petition and in W.A.No.672 of 1991, this court directed the respondent No.6 to deposit an amount of Rs.10 lakhs within six weeks. Reference was also made to various other litigations and the steps taken by the second respondent to realize the amount from the sixth respondent. It is stated that a suit was filed on the file of the II Additional Judge, City Civil Court by one Sri Faizuddin for specific performance against the sixth respondent and M/s.N.K.Leasing. Another suit was filed by the said person to restrain the second respondent-corporation from selling or auctioning the property, due to which the amount could not be realized. It is stated that all necessary steps are being taken to recover the loan amount from the sixth respondent and there is no lapse on the part of the respondents in doing so. This affidavit was filed on 18th August, 1999, whereafter the petitioner took no further steps in the matter.

We are satisfied with the affidavit of the second respondent. Steps whatever were possible were taken to recover the amount. We take the assurances of the second respondent on record that all necessary steps will be taken to recover the

loan amount and for that reason, no further directions are required to be issued in this petition. It stands closed.

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DEVINDER GUPTA, CJ

8-11-2004

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C.V.RAMULU, J

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To

1 The Principal Secretary, Government of Adhra Pradesh, ,
Secretariat, Hyderabad.
2 The Managing Director, A.P. State Film Development Corporation Ltd.,

A.C. Guards, Shantinagar, Hyderabad.
3 The District Collector, Hyderabad District,
Opposite Annapoorna Hotel, Hyderabad.
4 The Revenue Divisional Officer,
Opp: Annapurna Hotel, Hyderabad,
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6 Registrar of Companies, Department of Companies Office,
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7 Sub-Registrar, Department of Companies Office,
Dudhbouli, Back Side of Prakash Talkies,
Mangalhat, Hyderabad.

8 2 CCs to the Government Pleader for Revenue, High Court Buildings,

Hyderabad (OUT).

9 2 CD copies.